

NOTICES OF PROPOSED RULEMAKING

Unless exempted by A.R.S. § 41-1005, each agency shall begin the rulemaking process by 1st submitting to the Secretary of State's Office a Notice of Rulemaking Docket Opening followed by a Notice of Proposed Rulemaking that contains the preamble and the full text of the rules. The Secretary of State's Office publishes each Notice in the next available issue of the *Register* according to the schedule of deadlines for *Register* publication. Due to time restraints, the Secretary of State's Office will no longer edit the text of proposed rules. We will continue to make numbering and labeling changes as necessary.

Under the Administrative Procedure Act (A.R.S. § 41-1001 et seq.), an agency must allow at least 30 days to elapse after the publication of the Notice of Proposed Rulemaking in the *Register* before beginning any proceedings for adoption, amendment, or repeal of any rule. A.R.S. §§ 41-1013 and 41-1022.

NOTICE OF PROPOSED RULEMAKING

TITLE 3. AGRICULTURE

CHAPTER 2. DEPARTMENT OF AGRICULTURE

ANIMAL SERVICES DIVISION

PREAMBLE

- | | |
|------------------------------------|---------------------------------|
| 1. <u>Sections Affected</u> | <u>Rulemaking Action</u> |
| R3-2-202 | Amend |
- 2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**
- Authorizing statute: A.R.S. § 3-2046
- Implementing statute: A.R.S. § 3-2046
- 3. A list of all previous notices appearing in the Register addressing the proposed rule:**
- Notice of Rulemaking Docket Opening: 5 A.A.R. 3090, September 10, 1999.
- 4. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**
- Name: Shirley Conard, Rules Specialist
- Address: Arizona Department of Agriculture
1688 West Adams, Room 235
Phoenix, Arizona 85007
- Telephone: (602) 542-0962
- Fax: (602) 542-5420
- E-mail: shirley.conard@agric.state.az.us
- 5. An explanation of the rule, including the agency's reasons for initiating the rule:**
- This rulemaking updates the incorporations by reference for meat and poultry inspection and slaughtering procedures.
- 6. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study and other supporting material.**
- None.
- 7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**
- Not applicable.

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8. The preliminary summary of the economic, small business, and consumer impact:

The incorporations by reference material has been updated to enable the state to comply with USDA agreements and contracts to administer programs that follow minimum federal standards.

A. The Arizona Department of Agriculture.

The benefit to the Department by updating R3-2-202 allows the Department to continue administering a meat and poultry inspection program that is equal to that administered by the U.S. Department of Agriculture (USDA), as required by federal law. If a state inspection program is deemed not to be administering regulations that are equivalent to those of the USDA, the state becomes “designated” by the USDA. Designation results in both the loss of federal funding and the takeover of inspection activities by the USDA.

B. Political Subdivision.

Political subdivisions of this state are not directly affected by the implementation and enforcement of this rulemaking.

C. Businesses Directly Affected By the Rulemaking. (Common and private carriers, railroads instate, and out-of-state nurseries.)

Updating the incorporations by reference material in R3-2-202 directly affects state licensed meat and poultry establishments by maintaining the integrity of the existing inspection and slaughtering program. These businesses will continue to receive inspection service from the Department because of the “equal to” status. If the “equal to” status is removed by the USDA, establishments would be required to obtain inspection service from the USDA. Because many state licensed establishments are unable to meet all of the physical facility requirements of the USDA they would be forced to close.

D. Private and public employment.

Private and public employment is not directly affected by the implementation and enforcement of this rulemaking.

E. Consumers and the Public.

By updating the incorporations by reference in R3-2-202, consumers of meat and poultry products produced in state establishments will benefit by being assured that these meat and poultry products are, at a minimum, as wholesome as those produced in establishments inspected by the USDA.

F. State Revenues.

This rulemaking will have no impact on state revenues.

9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Shirley Conard
Address: Arizona Department of Agriculture
1688 West Adams, Room 235
Phoenix, Arizona 85007
Telephone: (602) 542-0962
Fax: (602) 542-5420
E-mail: shirley.conard@agric.state.az.us

10. The time, place, and nature of the proceedings for the making, amendment, or repeal of the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

Date: November 15, 1999
Time: 10 a.m.
Location: Arizona Department of Agriculture
1688 West Adams, Room 206
Phoenix, Arizona 85007
Nature: Oral Proceeding

Written comments on the proposed rules or preliminary economic, small business and consumer impact statement

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must be received by 4 p.m., November 15, 1999. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the department's coordinator, Patrick Stevens, (602) 542-4316 (voice) or 1-800-367-3839 (TDD Relay). Requests should be made as early as possible to allow time to arrange the accommodation.

11. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**
None.
12. **Incorporations by reference and their location in the rules:**
R3-2-202(A). 9 CFR, Chapter III, Subchapters A and E, revised as of January 1, 1999.
R3-2-202(B). 9 CFR, Chapter III, Subchapters C and E, revised as of January 1, 1999.
13. **The full text of the rules follows:**

TITLE 3. AGRICULTURE

**CHAPTER 2. DEPARTMENT OF AGRICULTURE
ANIMAL SERVICES DIVISION**

ARTICLE 2. MEAT AND POULTRY INSPECTION

Section

R3-2-202. Meat and Poultry Inspection and Slaughtering Standards

ARTICLE 2. MEAT AND POULTRY INSPECTION

R3-2-202. Meat and Poultry Inspection and Slaughtering Standards

- A. All meat inspection and slaughtering procedures shall be conducted as prescribed in 9 CFR, Chapter III, Subchapters A and E, ~~as amended July 25, 1996~~ revised as of January 1, 1999. The material incorporated by reference is on file with the Office of the Secretary of State and does not include any later amendments or editions of the incorporated matter. The following parts and sections of 9 CFR, Chapter III, Subchapter A, are excepted from incorporation:

302.2	321	329.9
306.3	322	331
307.5	327	335
312	329.7	

- B. All poultry inspection and slaughtering procedures shall be conducted as prescribed in 9 CFR, Chapter III, Subchapters C and E, ~~as amended July 25, 1996~~ revised as of January 1, 1999. The material incorporated by reference is on file with the Office of the Secretary of State and does not include any later amendments or editions of the incorporated matter. The following sections of 9 CFR, Chapter III, Subchapter C are excepted from incorporation:

381.38	381.218
381.96 through 381.112	381.220 through 381.225
381.195 through 381.209	381.230 through 381.236
381.185 through 381.186	

NOTICE OF PROPOSED RULEMAKING

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 11. BOARD OF DENTAL EXAMINERS

PREAMBLE

1. Sections Affected

R4-11-401
R4-11-402
R4-11-403
R4-11-404
R4-11-405

Rulemaking Action

Amend
Amend
Amend
Amend
Amend

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Amend

Repeal

2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):

Authorizing statutes: A.R.S. § 32-1207(A)(1) and (12), (D), and (E).

Implementing statutes: A.R.S. §§ 32-1207A)(1) and (12), (D), and (E), 32-1232(C), 32-1236, 32-1262(D) and (E), 32-1284(A), 32-1287, 32-1297.01, 32-1297.04, and 32-1297.06.

- 3. A list of all previous notices appearing in the Register addressing the proposed rule:**

Notice of Rulemaking Docket Opening: 5 A.A.R. 2262, July 16, 1999.

- 4. The name and address of agency personnel with whom persons may communicate regarding the rule:**

Name: Julie Chapko, Executive Director

Address: Arizona State Board of Dental Examiners
5060 N. 19th Ave., Suite 406
Phoenix, AZ 85015

Telephone: (602) 242-1492

Fax: (602) 242-1445

- 5. An explanation of the rule, including the agency's reasons for initiating the rule:**

The rule will amend the fees in Article 4 by adding fees to comply with A.R.S. 41-1008 relating to specific statutory authority for any and all fees. The 1999 Legislature passed a Board sponsored bill giving the Board authority to establish and collect fees for license verification, board meeting agendas and minutes, published lists and mailing labels. The rule will amend Article 4 to codify these fees which the Board has been collecting based on general instead of specific authority. The language in the entire article will be changed to provide a clear, concise, and understandable document in compliance with the current administrative procedure act.

The Board believes that making these rules will benefit licensees and the public by establishing a clear and concise fee structure based on statutory authority.

6. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study, and other supporting material:

Not applicable.

7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable.

- 8. The preliminary summary of the economic, small business, and consumer impact:**

The rule will have no economic impact except the cost to the Board of Dental Examiners and the Secretary of State for writing and publishing the rule. The changes do not impose anything new. The rule codifies existing fees based on statutory authority. The rule does not impose any costs on small business or consumers.

9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Julie Chapko, Executive Director

Address: Arizona State Board of Dental Examiners
5060 N. 19th Ave., Suite 406
Phoenix, AZ 85015

Telephone: (602) 242-1492

Fax: (602) 242-1445

- 10. The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**

Comments may be written or presented orally. Written comments must be received by 5 p.m., Monday, November 15, 1999. An oral proceeding is scheduled for:

Date: November 15, 1999

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Time: 10 a.m.
Location: 5060 N. 19th Ave., Suite 406
Phoenix, AZ 85015

A person may request information about the oral proceeding by contacting the person listed above.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

Not applicable.

12. Incorporations by reference and their location in the rules:

None.

13. The full text of the rules follows:

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 11. STATE BOARD OF DENTAL EXAMINERS

ARTICLE 4. FEES

Section

- R4-11-401. ~~Triennial Registration~~ Licensure Fees: Dentist
- R4-11-402. ~~Triennial Registration~~ Denturist Certification Fees: Hygienist
- R4-11-403. ~~Triennial Registration Fees: Retired or Disabled Licensees and Certificate Holders~~ Examination Fees
- R4-11-404. Penalty Fees for Late Renewal
- R4-11-405. ~~Duplicate License, Duplicate Registration Receipt~~ Other Fees
- R4-11-406. ~~Triennial Registration Fees: Denturist~~ Fees for Anesthesia and Sedation Permits
- R4-11-407. Fees for Anesthesia and Sedation Permits

ARTICLE 4. FEES

R4-11-401. ~~Triennial Registration~~ Licensure Fees: Dentist

- A.** ~~The triennial registration fee for dentists is \$450.00.~~ Dentist:
 - 1. Initial licensure (prorated according to A.R.S. § 32-1236(B): \$450.00.
 - 2. Licensure renewal: \$450.00.
 - 3. Retired or disabled licensure renewal: \$15.00.
- B.** Dental Hygienist:
 - 1. Initial licensure (prorated according to A.R.S. § 32-1287(B): \$225.00.
 - 2. Licensure renewal: \$225.00.
 - 3. Retired or disabled licensure renewal: \$15.00.

R4-11-402. ~~Triennial Registration~~ Denturist Certification Fees: Hygienist

- A.** ~~The triennial registration fee for hygienists is \$225.00.~~ Initial certification (prorated according to A.R.S. § 32-1297.06(B): \$225.00.
- B.** Certification renewal: \$225.00.

R4-11-403. ~~Triennial Registration Fees: Retired or Disabled Licensees and Certificate Holders~~ Examination Fees:

- A.** ~~The triennial registration fee for fully retired or permanently disabled licensees or certificate holders is \$15.00.~~ Arizona Dental Jurisprudence examination:
 - 1. Dentist: \$200.00.
 - 2. Dental Hygienist: \$50.00.
- B.** Denturist Certification examination: \$150.00.

R4-11-404. Penalty Fees for Late Renewal:

- A.** ~~The penalty fee for a licensee who does not pay the triennial registration fee on or before June 30 is~~ License: \$25.00.
- B.** Certificate: \$25.00.

R4-11-405. ~~Duplicate License, Duplicate Registration Receipt~~ Other Fees

- A.** ~~Each Duplicate license; or registration fee is~~ \$25.00.
- B.** Duplicate certificate: \$25.00.
- C.** License verification:
 - 1. For licensee: \$25.00

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- 2. For non-licensee: \$5.00
- D.** Copy of tape recording: \$10.00.
- E.** Photocopies (per page): \$0.25.
- F.** Mailing lists:
 - 1. Dentists:
 - a. In-state - paper or labels: \$150.00.
 - b. All licensees - paper or labels: \$175.00.
 - c. Computer disk: \$100.00.
 - 2. Dental hygienists:
 - a. In-state - paper or labels: \$150.00.
 - b. All licensees - paper or labels: \$175.00.
 - c. Computer disk: \$100.00.
 - 3. Denturists: All certificate holders - paper or labels: \$5.00.
- G.** Board meeting agendas and minutes (mailed directly to consumer):
 - 1. Agendas and minutes (annual fee): \$75.00.
 - 2. Agendas only (annual fee): \$25.00.
 - 3. Minutes only (annual fee): \$50.00.

R4-11-406. ~~Triennial Registration Fees: Denturist Fees for Anesthesia and Sedation Permits~~

- A.** The triennial registration fee for denturists is \$225.00: Pursuant to A.R.S. § 32-1207(D), the fee for a Section 1301 permit to administer general anesthesia and semi-conscious sedation or a Section 1302 permit to administer conscious sedation is \$300.
- B.** Upon successful completion of the initial on-site evaluation and upon receipt of the required permit fee, the Board shall issue a separate Section 1301 or 1302 permit to a dentist for each location requested by the dentist. A permit expires on December 31 of every 3rd year.
- C.** The renewal fee for each Section 1301 or 1302 permit is \$300 per dentist, per location.

R4-11-407. ~~Fees for Anesthesia and Sedation Permits~~

- A.** Pursuant to A.R.S. § 32-1207(D), the fee for a Section 1301 permit to administer general anesthesia and semi-conscious sedation or a Section 1302 permit to administer conscious sedation is \$300.
- B.** Upon successful completion of the initial on-site evaluation and upon receipt of the required permit fee, the Board shall issue a separate Section 1301 or 1302 permit to a dentist for each location requested by the dentist. A permit expires on December 31 of every 3rd year.
- C.** The renewal fee for each Section 1301 or 1302 permit is \$300 per dentist, per location.

NOTICE OF PROPOSED RULEMAKING

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 43. BOARD OF OCCUPATIONAL THERAPY EXAMINERS

PREAMBLE

- | | |
|---|---|
| 1. <u>Sections Affected</u> | <u>Rulemaking Action</u> |
| R4-43-206 | New Section |
| 2. <u>The specific authority for the rulemaking, including both the authorizing statute and the statutes the rules are implementing:</u> | |
| Authorizing statute: A.R.S. § 32-3404 (A) | |
| Implementing statute: A.R.S. § 32-3430 | |
| 3. <u>A list of all previous notices appearing in the Register addressing the proposed rule:</u> | |
| Notice of Rulemaking Docket Opening: 5 A.A.R. 2445, July 30, 1999. | |
| 4. <u>The name and address of agency personnel with whom persons may communicate regarding the rulemaking:</u> | |
| Name: | Cedes Bruno |
| Address: | 1400 West Washington, Suite 240
Phoenix, Arizona 85007 |
| Telephone: | (602) 542-6784 |

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Fax: (602) 542-5469

5. An explanation of the rule, including the agency's reasons for initiating the rule:

The Board is adding 1 new Section to its rules, R4-43-206, Procedures for Submitting Fingerprints, to implement A.R.S. § 32-3430, Fingerprinting, which became effective August 6, 1999. The rule describes the new requirement for all Occupational Therapy applicants to obtain and submit their fingerprints as part of the license or limited permit application process.

6. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study and other supporting material:

None.

7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not Applicable.

8. The preliminary summary of the economic, small business, and consumer impact:

The Board will absorb the costs of reprinting and distributing the amended rules to licensees. The applicant will bear the cost of \$24 paid to the FBI through the Department of Public Safety for each fingerprint card submitted for a criminal records check; plus, a possible fee for having fingerprints taken at a local police station, sheriff's office, or private contractor.

9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Cedes Bruno

Address: 1400 West Washington, Suite 240
Phoenix, Arizona 85007

Telephone: (602) 542-6784

Fax: (602) 542-5469

10. The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

Written and oral comments will be accepted at the location listed above between 8 a.m. and 5 p.m., Monday through Friday (excluding state holidays), until the close of the record. No date has been selected for the close of record. Oral proceedings will be conducted at all open public meetings as they are announced by Agenda. Meetings are scheduled several months in advance and schedules may be obtained by calling the Board office at (602) 542-6784.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

Not applicable.

12. Incorporations by reference and their location in the rules:

Not applicable.

13. The full text of the rules follows:

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 43. BOARD OF OCCUPATIONAL THERAPY EXAMINERS

ARTICLE 2. LICENSURE

Section

R4-43-206. Procedures for Submitting Fingerprints

ARTICLE 2. LICENSURE

R4-43-206. Procedures for Submitting Fingerprints

A. In addition to the documents required by R4-43-201 through R4-43-205, each applicant for original licensure, license renewal, license reinstatement, or limited permit shall submit a full set of readable fingerprints to the Board, if the applicant has not previously done so. The Board shall provide fingerprint cards and fingerprint card instructions to applicants.

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The applicant shall have the fingerprint card completed by an authorized fingerprinter. If the fingerprints are unreadable, the Board shall reject the fingerprint card and notify the applicant of the rejection. The applicant shall submit a new readable card within 20 days from the date of the notice of rejection. The Board shall suspend the license or limited permit of a person who does not submit a new readable set of fingerprints.

- B.** The applicant shall submit the completed, readable fingerprint cards to the Board along with the other required documents and a processing fee of \$24 for each card submitted.
- C.** The Board shall review the results of each applicant's criminal records check and compare it with the applicant's disclosures on the application form. The Board shall take any action authorized by law regarding disqualifying factors or violations of the Board's statutes or rules.

NOTICE OF PROPOSED RULEMAKING

TITLE 15. REVENUE

**CHAPTER 5. DEPARTMENT OF REVENUE
TRANSACTION PRIVILEGE AND USE TAX SECTION**

PREAMBLE

- | <u>1. Sections Affected</u> | <u>Rulemaking Action</u> |
|------------------------------------|---------------------------------|
| Article 25 | Repeal |
| R15-5-2501 | Repeal |
| R15-5-2502 | Repeal |
| R15-5-2503 | Repeal |
| R15-5-2504 | Repeal |
| R15-5-2505 | Repeal |
| R15-5-2506 | Repeal |
| R15-5-2507 | Repeal |
| Article 26 | Repeal |
| R15-5-2601 | Repeal |
| R15-5-2602 | Repeal |
| R15-5-2603 | Repeal |
| R15-5-2614 | Repeal |
| R15-5-2616 | Repeal |
| R15-5-3016 | Repeal |
| R15-5-3024 | Repeal |
| R15-5-3032 | Repeal |
- 2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**
- Authorizing statute: A.R.S. §§ 42-1005 and 42-5402
- Implementing statute: A.R.S. §§ 42-5063, 42-5064, 42-5072, and 42-5401 through 42-5408
- 3. List of all previous notices appearing in the Register addressing the proposed rules:**
- Notice of Rulemaking Docket Opening: 5 A.A.R. 3237, September 17, 1999.
- 4. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**
- Name: Ernest Powell, Supervisor
- Address: Tax Research and Analysis Section
Arizona Department of Revenue
1600 W. Monroe
Phoenix, AZ 85007
- Telephone: (602) 542-4672
- Fax: (602) 542-4680
- 5. An explanation of the rule, including the agency's reasons for initiating the rule:**
- The rules in Articles 25 and 26 provide guidance regarding rental occupancy tax which applies to leases entered into

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prior to December 1, 1967. The rules in Article 30 provide guidance with various transaction privilege tax issues. All of the sections listed are obsolete, repetitive, or are no longer needed and will be repealed.

6. **Reference to any study that the agency proposes to rely on and its evaluation of or justification for proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study and other supporting material:**

None.

7. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable.

8. **The preliminary summary of the economic, small business, and consumer impact:**

In accordance with A.R.S. § 41-1055(D)(3), the Department is not required to prepare an economic, small business, and consumer impact statement because the repeal of these rules decreases monitoring, recordkeeping, or reporting burdens on agencies and licensees.

9. **The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:**

Name: Ernest Powell, Supervisor

Address: Tax Research and Analysis Section
Arizona Department of Revenue
1600 W. Monroe
Phoenix, AZ 85007

Telephone: (602) 542-4672

Fax: (602) 542-4680

10. **The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**

The Department has not scheduled any oral proceedings. Written comments on the proposed repeals or preliminary economic, small business, and consumer impact statements may be submitted to the person listed in question #9. Pursuant to A.R.S. § 41-1023(C), the Department will schedule oral proceedings if 1 or more individuals file written requests for oral proceedings within 30 days after the publication of this Notice.

11. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**

Not applicable.

12. **Incorporations by reference and their location in the rules:**

None.

13. **The full text of the rules follows:**

TITLE 15. REVENUE

CHAPTER 5. DEPARTMENT OF REVENUE

TRANSACTION PRIVILEGE AND USE TAX SECTION

ARTICLE 25. RENTAL OCCUPANCY TAX Repealed

Sections

R15-5-2501. ~~Rate~~

R15-5-2502. ~~General~~

R15-5-2503. ~~Basis for computing tax~~

R15-5-2504. ~~Remittance to landlord~~

R15-5-2505. ~~Termination of liability~~

R15-5-2506. ~~Exemptions~~

R15-5-2507. ~~Subleasing of property~~

ARTICLE 26. RENTAL OCCUPANCY TAX ADMINISTRATION Repealed

Sections

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R15-5-2601. Registration of landlords
R15-5-2602. Return and payment of tax—general
R15-5-2603. Return and payment of tax—extension of time
R15-5-2614. Procedure for appeal—payment of tax after decision of Department becomes final
R15-5-2616. Procedure for appeal—payment of tax after appeal to State Board

ARTICLE 30. INTERIM RULES

Sections
R15-5-3016. Definition of nonmetalliferous
R15-5-3024. General
R15-5-3032. Non-premise based telephone service

ARTICLE 25. RENTAL OCCUPANCY TAX Repealed

R15-5-2501. Rate

Effective date of tax rate:	1/1/75
Current combined tax rate:	3%

R15-5-2502. General

The Rental Occupancy Tax Act imposes a tax on the tenant for the privilege of occupancy of any real property when the right to occupy the property resulted from a written lease entered into prior to 12/1/67 (pre-existing lease).

R15-5-2503. Basis for computing tax

The amount of the tax is based upon the total value of the rent paid to the landlord.

R15-5-2504. Remittance to landlord

The tenant is required to remit the tax to the landlord, who is acting as a collecting agent for the state. The tax is to be remitted at the same time payment of the rent is made.

R15-5-2505. Termination of liability

The tax will apply until such time as the lease either expires, is renewed, renegotiated, or otherwise terminated. When such lease no longer comes under the provision of the Rental Occupancy Tax Act, the landlord becomes subject to the Sales Tax (see R15-5-1610).

R15-5-2506. Exemptions

- A.** The tax does not apply in cases where the United States Government is either the tenant or the landlord.
- B.** Effective January 1, 1979, the leasing or renting of dwelling units, lodging facilities or trailer or mobile home spaces which are intended primarily as principal or permanent places of residence, as defined in R15-5-1613, is exempt.

R15-5-2507. Subleasing of property

A tenant who subleases the property (or portion thereof) originally leased from a landlord under a pre-existing lease agreement is still liable for Sales Tax as a lessor when the sublease agreement does not qualify as a pre-existing lease.

ARTICLE 26. RENTAL OCCUPANCY TAX—ADMINISTRATION Repealed

R15-5-2601. Registration of landlords

Every landlord leasing property subject to the provisions of this rule is required to register as a collecting agent with the Department on prescribed forms.

R15-5-2602. Return and payment of tax—general

- A.** The landlord is required to report and pay the tax collected by the last day of the month following the month for which the report is made. (For example: a report covering the month of August would be due September 30.)
- B.** In the event the landlord is unable to collect the tax from the tenant, the landlord is required to notify the Department in writing within the time prior to when the monthly report is due.

R15-5-2603. Return and payment of tax—extension of time

The taxpayer may petition the Department for an extension of time for filing the report, and the Department, for good cause, may grant the extension. However, the time for filing shall not be extended for more than two months beyond the date the report was required to be filed.

R15-5-2614. Procedure for appeal—payment of tax after decision of Department becomes final

When 30 days have expired after notice of a decision has been given the taxpayer, and the taxpayer has not taken further action to appeal to the state Board of Tax Appeals, Division Two, the tax must be paid within ten days after the 30-day period has expired.

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Notices of Proposed Rulemaking

R15-5-2616. ~~Procedure for appeal—payment of tax after appeal to State Board~~

~~The tax must be paid within 30 days from the time the State Board's decision becomes final unless the State Board rules in favor of the taxpayer.~~

ARTICLE 30. INTERIM RULES

R15-5-3016. ~~Definition of nonmetalliferous~~

~~For purposes of A.R.S. §§ 42-1313 and 42-1317, “nonmetalliferous” means neither yielding nor containing metal.~~

R15-5-3024. ~~General~~

- ~~**A.** Sale of electricity, gas, or water to a consumer, whether an industry, or group, is subject to tax under this classification.~~
- ~~**B.** Development fees and contributions in aid of construction received for utility and utility services installation pursuant to A.R.S. § 42-1307 are exempt from tax under this classification. A “development fee” is the amount paid by developers to a city for connecting a development to existing water and sewer systems. “Contributions in aid of construction” are revenues received as reimbursement from customers for whom property and equipment was installed to provide utility access.~~

R15-5-3032. ~~Non-premise based telephone service~~

- ~~**A.** The amount a provider of exchange access services charges for the services is not subject to the tax levied by A.R.S. § 42-1472 if the services do not involve customer premises.~~
- ~~**B.** “Premises” means real property and any buildings, portions of buildings or appurtenances attached to the real property.~~